

SALVASEN HEALTH
21-C44271 Closed: Feb 1, 2022
Ex: Fabry, Renee
Atty: Van Buren, Lauren

OFFICE OF THE COMMISSIONER OF INSURANCE (OCI)

STATE OF WISCONSIN

In the matter of
Salvasen Health, LLC

STIPULATION
AND
ORDER

Respondent.

Case No. 21-C44271

WHEREAS, Salvasen Health, LLC, 10713 W. Sam Houston N. - Suite 100, Houston, Texas 77064 ("the Respondent"), purported to be a health insurance company but is unauthorized to do insurance business in Wisconsin; and

WHEREAS, pursuant to Wis. Stat. § 601.41(1), the Wisconsin Commissioner of Insurance ("the Commissioner") shall administer and enforce insurance regulations in the State of Wisconsin; and

WHEREAS, the Respondent offered certain limited benefit health plans through unaffiliated Managing General Agents and Third-Party Administrators who were responsible for the marketing and administration of the Respondent's plans; and

WHEREAS, the Office of the Commissioner of Insurance ("OCI") has received five consumer complaints regarding products offered by the Respondent; and

WHEREAS, one complaint alleges that the consumer googled "ACA" looking for health insurance under the Affordable Care Act and an insurance agent called him and sold him four separate policies (critical illness, AD&D, Dental, Wellness & Preventative) but when he received the "membership card" from Respondent it stated "THIS PLAN IS NOT ACA COMPLIANT;" and

WHEREAS, another complaint reported difficulty having claims paid and concluded the insurance coverage "has been a total fraud;" and

WHEREAS, a third consumer reported that he received a call from an insurance agent that represented he was purchasing a Catastrophic Plan but after his covered spouse was hospitalized he was told he only had Salvasen Health Limited Medical, a limited benefit insurance; and

WHEREAS, a fourth consumer reported frustration submitting a covered claim to Respondent: "They advertised coverage for preventative services by 100%. They have paid nothing;" and

WHEREAS, the fifth consumer reported that she purchased two policies from Respondent (Champion AD&D 300K and Vital Care Pro + HI 200) when she realized the policies did not provide the coverage she expected she experienced difficulty canceling the plans; and

WHEREAS, the policies sold by Respondent in Wisconsin meet the definition of insurance in Wis. Stat. § 600.03(25)(a) because Respondent purports to distribute risk for compensation; and

WHEREAS, in December 2021, the Respondent issued notice to all affected consumers in Wisconsin notifying them that their coverage would be terminated, and Respondent's insurance contracts were terminated in the state as of December 31, 2021;

WHEREAS, Pursuant to Wis. Stat. § 601.04(2), Respondent is required to have a non-domestic certificate of authority to do insurance business in Wisconsin; and

WHEREAS, Respondent violated Wis. Stat. § 601.11, by engaging in the business of insurance under Wis. Stat. § 618.02(2), without a certificate of authority each time Respondent marketed, insured, and collected premiums in Wisconsin; and

WHEREAS, the Respondent's methods and practices of doing business are not consistent with the interests of Wisconsin insureds or the public; and

WHEREAS, the further transaction of business by the Respondent in the state of Wisconsin would be contrary to the interests of policyholders and the general public.

NOW, THEREFORE, the Respondent and the Commissioner do agree and stipulate to the following terms and conditions:

- (1) The Respondent shall cease and desist writing new business and renewing existing business in the state of Wisconsin or assuming business affecting Wisconsin insureds. The Respondent shall continue to service existing business to its expiration but may not renew existing policies.
- (2) The Respondent shall pay a forfeiture of \$14,000 to the State of Wisconsin.
- (3) This Order shall continue in force until it is superseded or cancelled in writing by OCI.
- (4) This Order shall be effective upon execution.
- (5) Respondent agrees that this Stipulation is made without reservation and constitutes a waiver of valuable rights including a hearing, confrontation and cross-examination of witnesses, production of evidence, making a motion for costs, and judicial review. The Commissioner may enforce this Stipulation and Order. In addition, if the Respondent is involved in a future administrative or disciplinary action, this Stipulation may be considered. The Respondent acknowledges that the Commissioner may make additional orders or subsequently modify or supersede this order by making a subsequent order. However, this Stipulation applies only to this Order as originally issued, and the Respondent reserves its right to contest any other new orders of the Commissioner or any modifications to this Order.

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Bary Glenn

Date

Salvasen Health, LLC

1/31/22

Rebecca L. Rebholz

Date


Rebecca Rebholz, Administrator
Division of Market Regulation
Office of the Commissioner of Insurance

ORDER

NOW, THEREFORE, based upon consideration of the Stipulation in this matter, I hereby order that:

- (6) The Respondent shall comply with its agreements as recited in this Stipulation.
- (7) This order supersedes the order issued on November 30, 2021.

Dated at Madison, Wisconsin, this 31 day of January 2022.



Nathan Houdek
Commissioner of Insurance